

Marketing to Technology - Is it Different?

Nevada Economic Development Conference

Harrah's Reno Casino / Resort

June 3-4, 2004

What is your definition of Economic Development?

- **Creation of New Dollars in the Economy**
- **Value Added Jobs**
- **Family Sustaining Wages**
- **Wealth Creating Businesses**
- **Competition in Global Markets**

Characteristics of Target Industry Segments

- **Innovation**
- **Technology**
- **Research & Development**
- **Intellectual Property**
- **Engineering know how**

Industry Segments

Life Sciences

- **Traditional medical services**
- **Pharmaceuticals**
- **Biotech**
- **Medical Devices**
- **Health Informatics**

Industry Segments

Aerospace / Aviation

- **General Aviation**
- **Commercial Aviation**
- **Defense / NASA Contractors**
- **Military Installations**

Industry Segments

Information Technology

- **Web Services**
- **Dot Com**
- **Networking**
- **Outsourcing**
- **Data Hosting**
- **Software** (Enterprise, Applications, Systems Integration)

Industry Segments

Information Technology (cont)

- **Storage Media**
- **Chips**
- **Digital Media**
- **Video Games**
- **Visualization, Simulation, Graphics**
- **Film Post-Production**

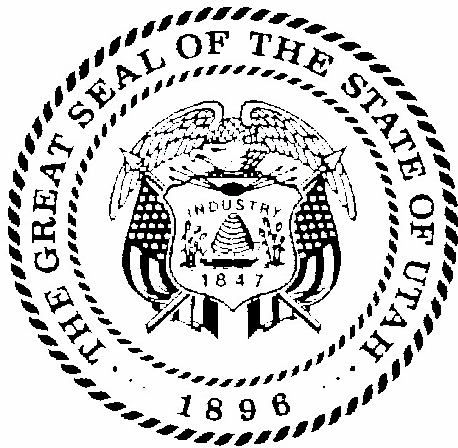
Industry Segments

Advanced Manufacturing - integration of technology solutions in traditional industry settings usually characterized by high capital investment and fewer, but better paid, and highly trained employees

- Food Processing**
- Composite Materials**
- Materials Handling**

TECH-BASED ECONOMIC DEVELOPMENT THE UTAH STRATEGY

Utah Technology Alliance



Utah!
Where ideas connect

Utah Technology Alliance

Mission Statement

*To accelerate Utah's emergence
as a center for technology investment,
employment and entrepreneurship.*

Utah Technology Alliance

- *Promote the Utah! Brand and Branding Platform*
- *Economic Ecosystem Model*
- *Utah Fund of Funds Legislation*
- *Utah Centers of Excellence Program*
- *Governor's Engineering Initiative*
- *Rural Smart Site Initiative*
- *Technology@Breakfast networking events*
- *Sponsor and support wide range of non-profit industry associations and venture/business accelerators*
- *Engages private sector in organized working groups*
- *Utah Trade Missions*
- *Utah Technology Industry Council*

Utah Technology Alliance

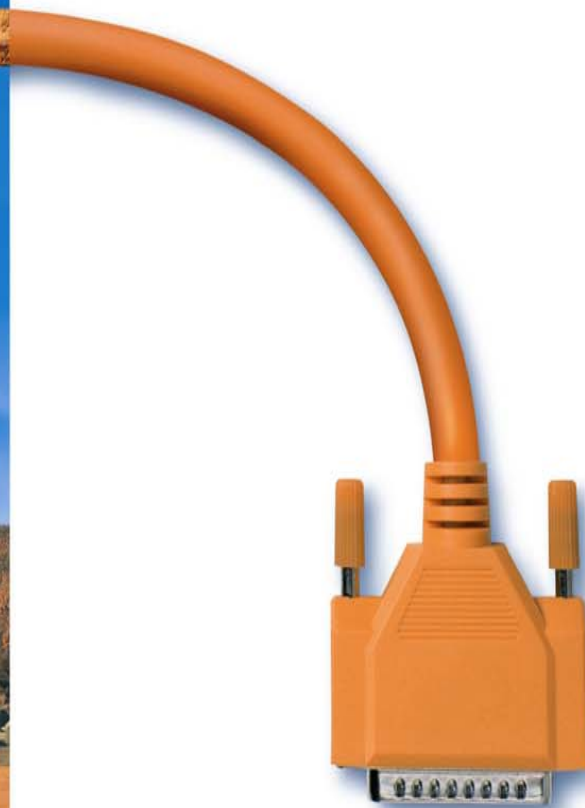


Utah! Where Ideas Connect

- *Historical birthplace of great ideas*
 - o Television
 - o The Artificial Heart
 - o Computer Graphics
 - o Word Processing Software
 - o CD ROM Technology
 - o One of Four Original Internet Nodes
- *The Brand Message: In Utah you can have it all, great quality of life, great careers in technology.*

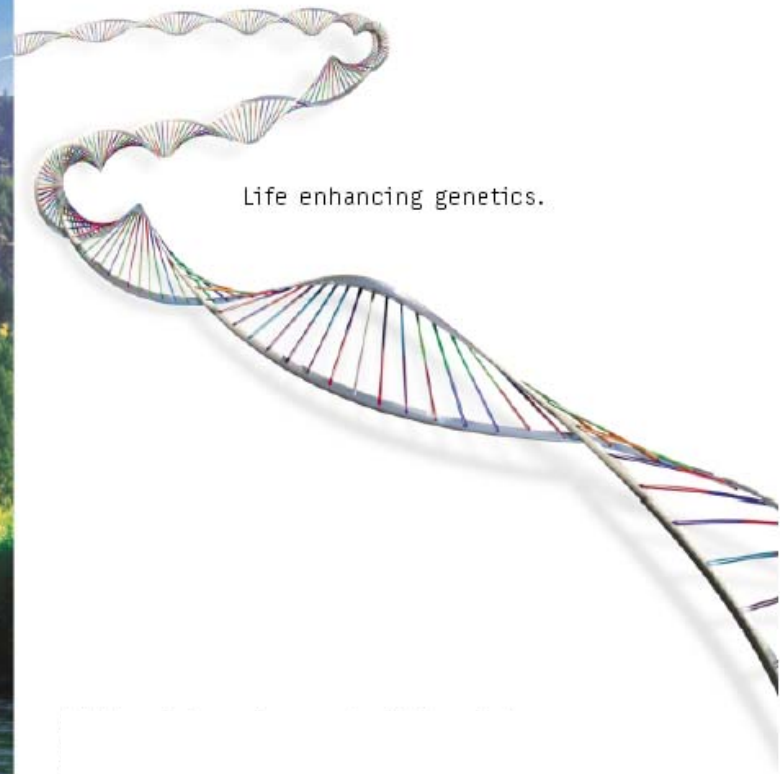
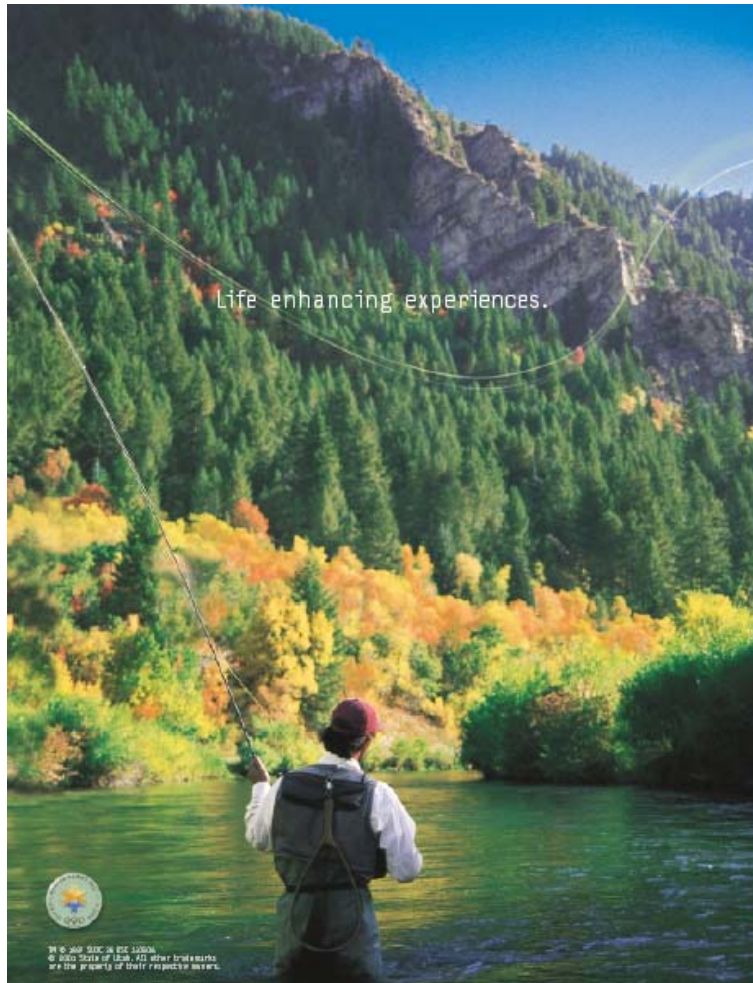
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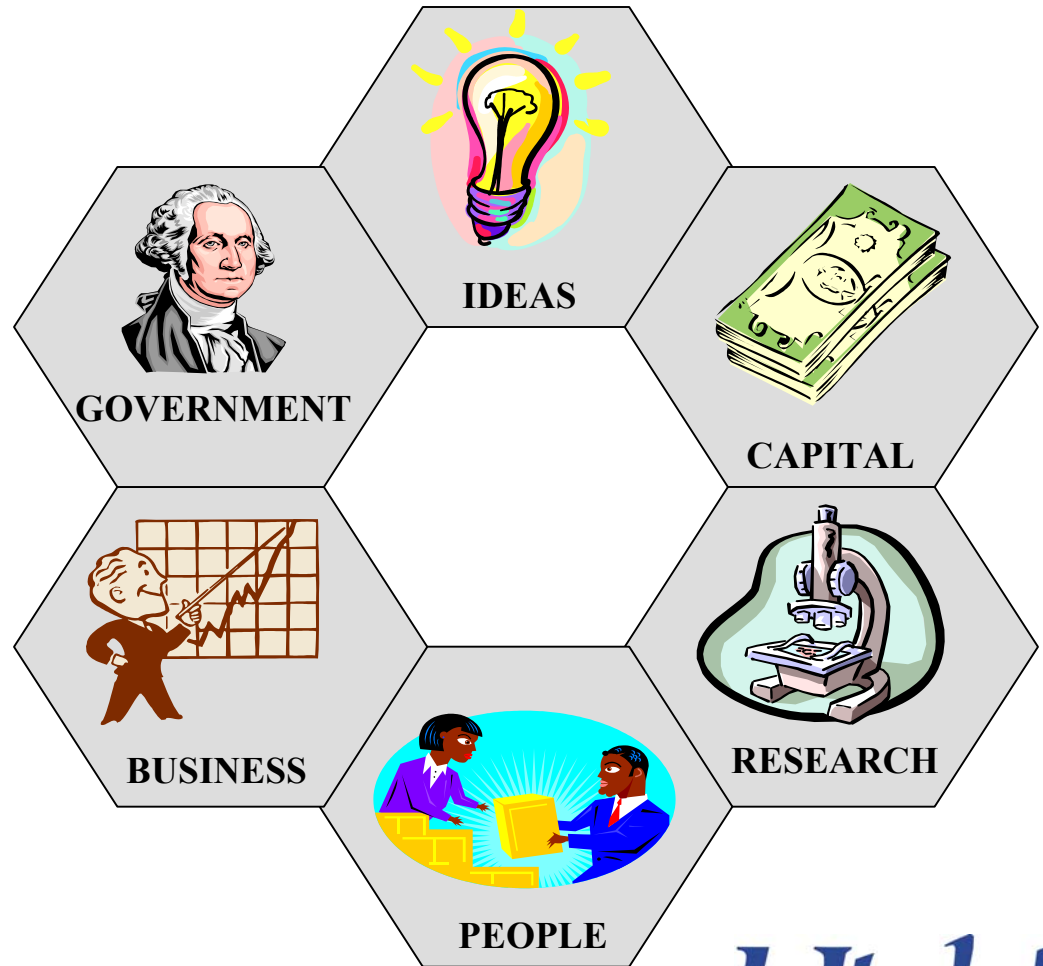


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Where ideas connect

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An Economic Ecosystem:

- *An economic sector where all essential nutrients (resources) are available to sustain and grow the system.*
- *Areas of proven competence and economic impact.*
- *Mature or emerging technologies that have sustainable competitive advantages.*

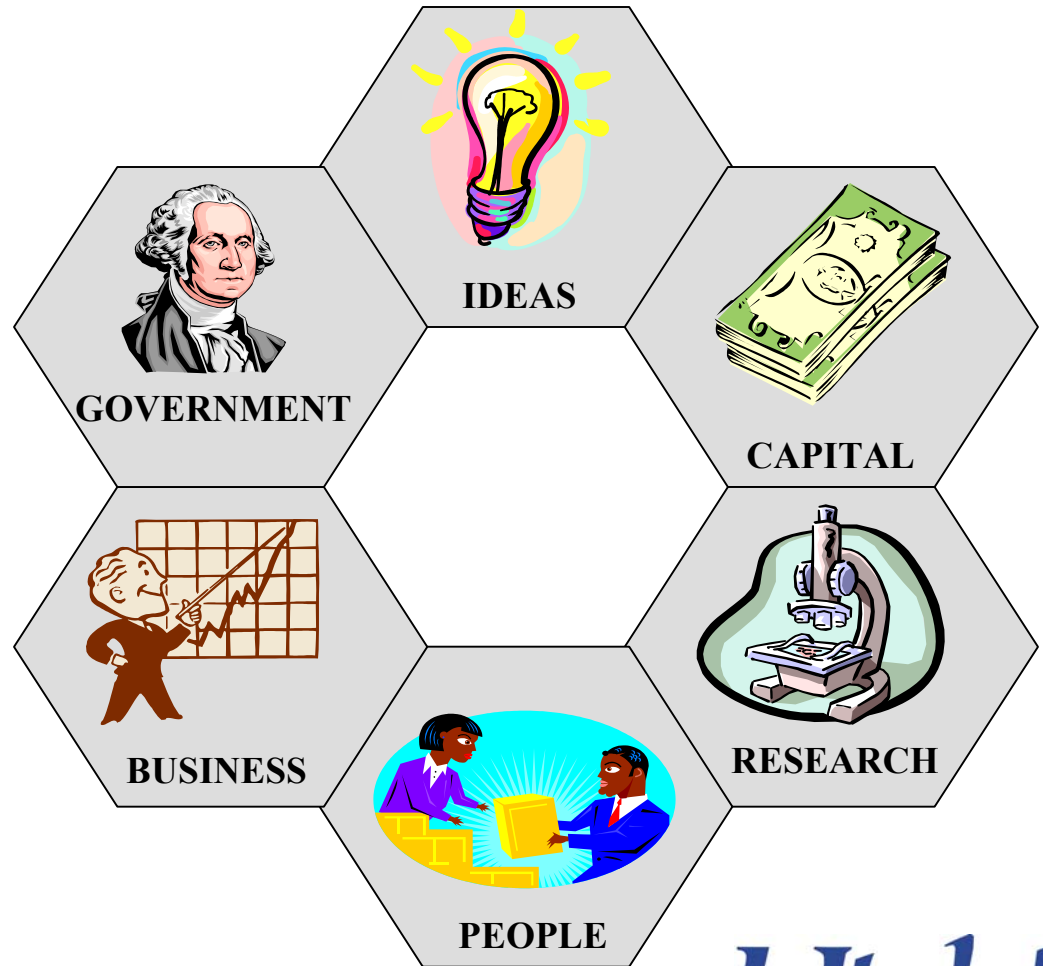


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Key Utah Ecosystems:

- *Information Technology*
- *Biotechnology*
- *Medical Devices*
- *Digital Media*
- *Aviation and Aerospace*
- *Medical Informatics*
- *Advanced Manufacturing*
- *Sports*
- *Wealth Management*



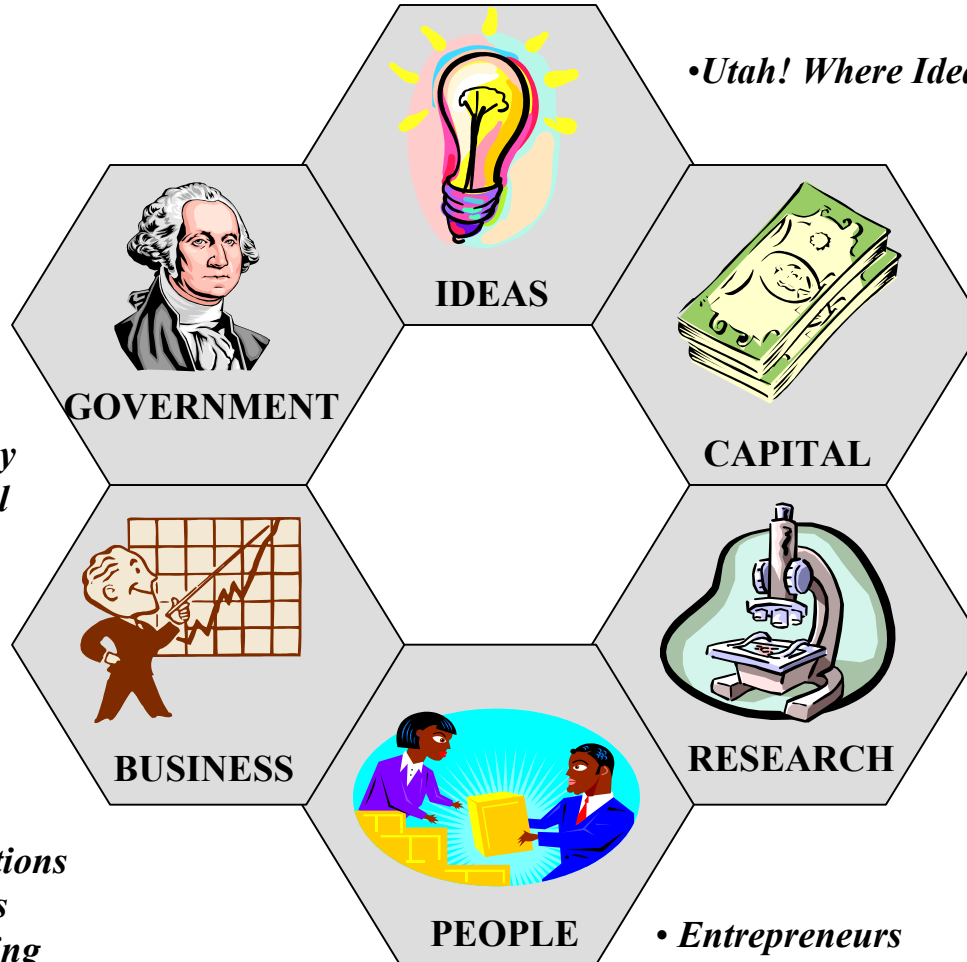
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Resources:

- *Regulatory Policies*
- *Taxation*
- *Incentives*
- *Trade Missions*
- *Utah Technology Industry Council*

- *Start-ups*
- *Gazelles*
- *Anchors*
- *Industry Associations*
- *Rural Smart Sites*
- *Ecosystem Working Groups*
- *Incubators*



• *Utah! Where Ideas Connect*

- *Seed and Angel Investors*
- *Venture Capital*
- *Investment Banking*
- *Initial Public Offerings*
- *Utah Fund of Funds*

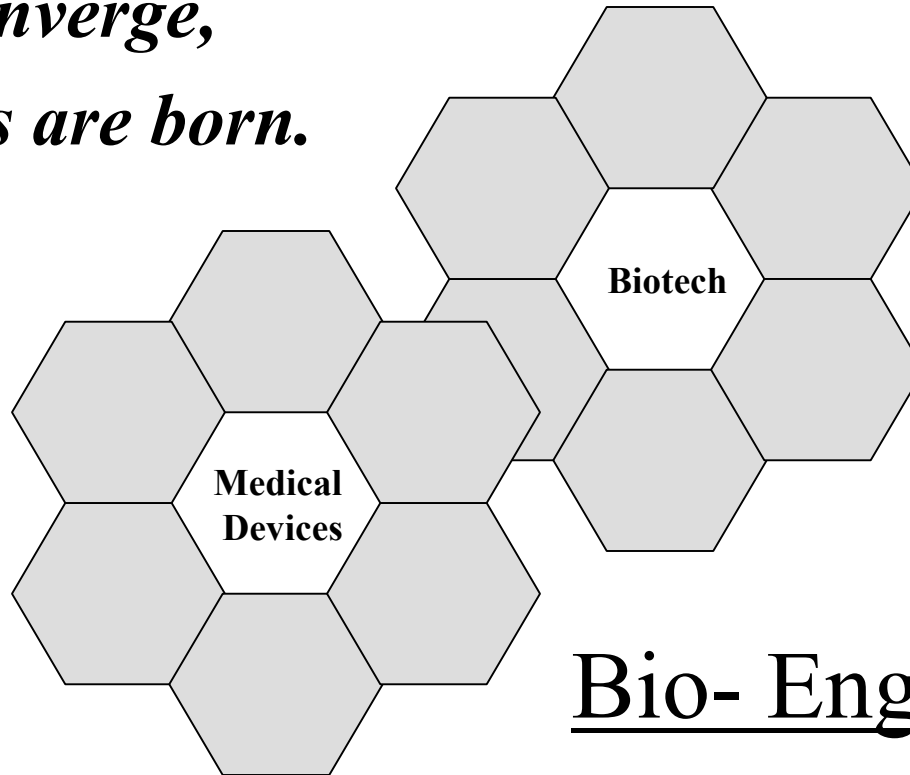
- *Applied Research*
- *Sponsored Research*
- *Centers of Excellence*
- *Technology Transfer*
- *Technology Incubation*

- *Entrepreneurs*
- *Skilled Workforce*
- *Seasoned Management*
- *Engineering Initiative*

Utah!
Where ideas connect

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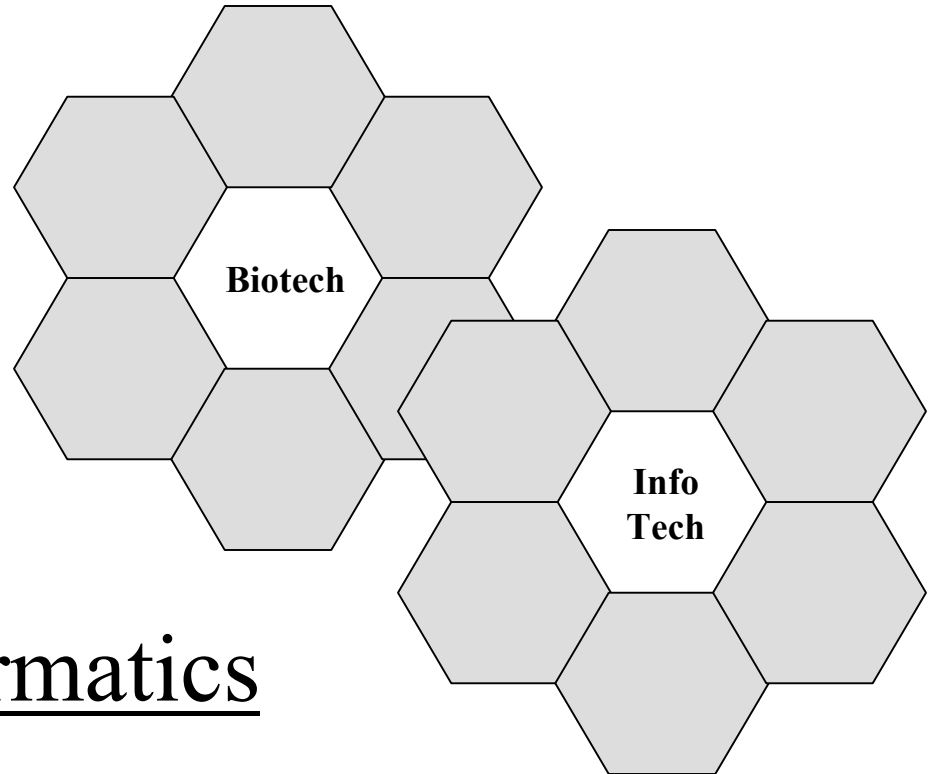
*When economic
ecosystems converge,
new industries are born.*



Bio- Engineering

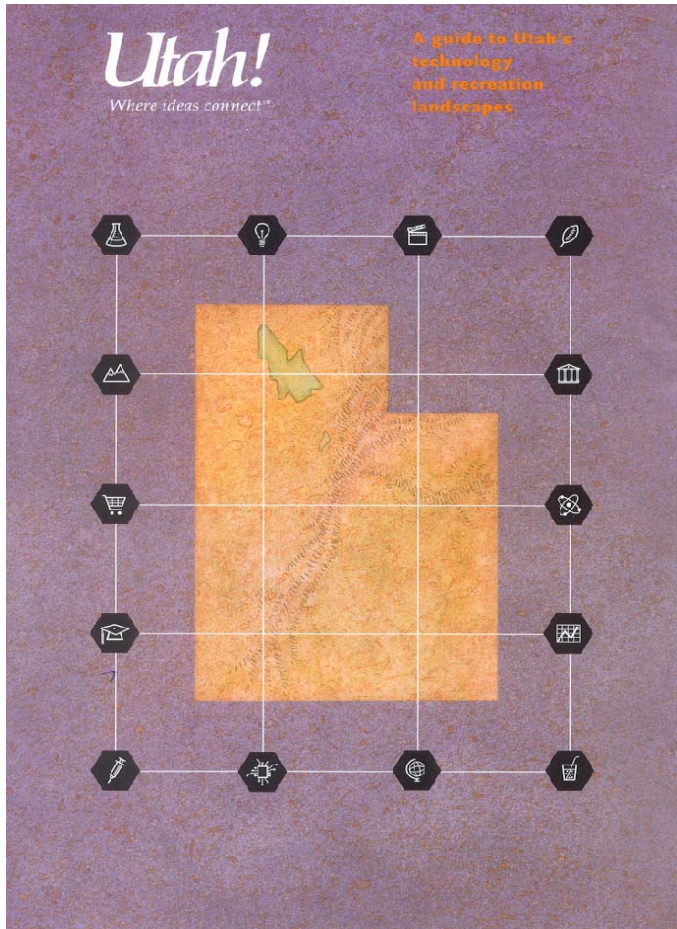
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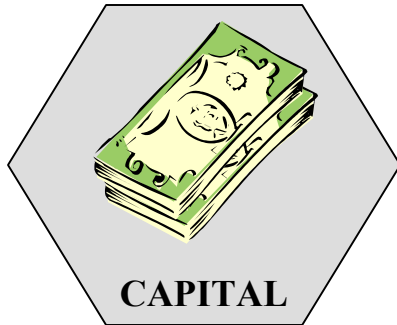
Bio-Informatics

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- *Prompted by Utah's Olympic Opportunity, the Economic Ecosystem Map was first published in Fall 2001, revised November 2002.*
- *Designed using the familiar format of the National Geographic maps.*
- *One side dedicated to Utah's recreational, cultural, and lifestyle amenities.*
- *One side dedicated to Utah's technology landscape with emphasis on the four key economic ecosystems.*
- *Intended as a promotional piece but also as a visitors guide to technology businesses in Utah.*
- *Has been widely distributed in periodicals, networking groups, summit meetings, and trade missions.*

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Utah Fund of Funds

- *Passed in the 2003 Legislative Session.*
- *Creates a \$100M fund to be invested with Venture Capital firms interested in Utah deals.*
- *Dollars in the fund placed by conservative investors looking for low-risk, money market rates of return. No state dollars invested.*
- *Rates of return underwritten with Utah contingent tax credits.*
- *Intended to leverage new VC investment dollars in Utah with a wider range of investment specialties.*

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Centers of Excellence

- *State grants to university research projects that show promise for commercialization.*
- *Grant money supports activities to bring technologies to the market place.*
- *Professional business consulting services also provided.*
- *Matching funds from non-state sources required.*

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Centers of Excellence (cont)

- *Funded centers receive an average of \$125,000 per year.*
- *Centers are normally funded for five years with annual reporting and funding approval.*
- *Over \$35M invested by state since 1986.*
- *Over \$380M in matching funds received.*
- *New companies spun out: 150*
- *License agreements signed: 204.*
- *Number of patents issued or pending: 179*

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Governor's Engineering Initiative

- *The Governor's stated goal: Double the number of science and engineering graduates in five years, triple in eight.*
- *Funding of \$9 million appropriated since 2002.*
- *Current engineering enrollment up by 35% and 2002-2003 graduates up by 23%*
- *Bonding for capital improvements.*

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Rural Smart Sites

- *Intended to focus tech-based economic development in all regions of the state.*
- *Establishes tech-based enterprises in rural communities based on local partnerships.*
- *Smart sites provide outsourcing support to major companies for call centers, customer support, software design, and medical coding.*
- *Employee training and marketing support provided through state and federal grants.*
- *Over 900 rural jobs created and 750 retained after two years.*

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Venture and Business Acceleration

- *Sponsorship and ongoing support for existing nonprofit entities and events*
- *Deal Forums*
- *Entrepreneurial Forums*
- *Business Incubation*
- *Technology Maturation*
- *Networking Events*
- *High Profile Conferences*
- *Awards Ceremonies*

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Ecosystem Working Groups

- *Composed of key executives and business leaders representing each defined ecosystem.*
- *Regular meetings to discuss key issues, concerns, new initiatives, etc. to benefit the ecosystem.*
- *Organize summit meetings and other networking opportunities to gain broad industry input.*
- *Intended to support and strengthen existing industry associations.*
- *To assist in creating new industry associations where they do not currently exist.*

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Utah Trade Missions

- *Domestic and international trade missions with interested companies to promote Utah business import/export opportunities.*
- *Intended to promote Utah as an ideal location for business development and investment.*
- *Olympic Torch Relay*
- *Utah House in Olympic Square*
- *Domestic trade missions*
- *International trade missions*

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The Utah Technology Industry Council

- *Created in the 2003 Legislative Session.*
- *Council membership made up of business executives representing key Utah ecosystems*
- *Chartered by the legislature to provide advice and council on tech-based economic development issues.*
- *Recommendations for legislative initiatives, policy changes, tax incentives, etc. are submitted to a designated legislative commission.*
- *Because of the chartered structure of the council, serious legislative consideration is assured.*